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Sheila Stoeller



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Subject:

RE: ACC Notice of Intent re: Feed-In Tariffs

Arizona Corporation Commission
DOCKETED

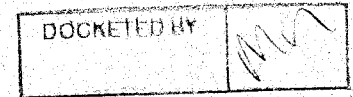
NOV - 5 2009

From: Gagnon, Janet [mailto:Janet.Gagnon@SolarWorldUSA.com]

Sent: Monday, November 02, 2009 11:30 AM

To: Kristin Mayes

Subject: ACC Notice of Intent re: Feed-In Tariffs



Dear Chairman Mayes,

It was a pleasure meeting you at the Solar Power International Conference in Anaheim, CA last week. We greatly appreciate your leadership in spearheading a Notice of Intent to review how Feed-In Tariffs could be used to greatly expedite the expansion of the solar industry in Arizona.

As mentioned, SolarWorld is the largest U.S. manufacturer of solar and one of the largest in the world. We currently employ approximately 800 people in the U.S. and conduct the entire solar manufacturing process (ingots, wafers, cells, and panels/modules) in the U.S. for the U.S. market. As a German-owned company, we are very familiar with Feed-In Tariffs and saw firsthand the tremendous growth that they can generate in jobs and solar. We have been actively engaged in passing legislation (SB32, passed and signed by Governor) to fix California's non-technology differentiated Feed-In Tariff, passing Vermont's Feed-In Tariff legislation (passed and enacted), passing Oregon's pilot Feed-In Tariff legislation (passed and signed by Governor) and Hawaii's Feed-In Tariff docket. In addition, we are currently engaged in New York's pending Feed-In Tariff legislation. Attached is the relevant legislation from each state.

Also, I am aware that there are some legal concerns regarding FITs. However, as you can see, many states are passing such mechanisms without any legal problems. In California, our Attorney General came out with a public statement that FITs are legal in CA. Also, we have had legal analysis stating many ways to structure a proper FIT within the avoided cost concept, the strongest approach is simply to have one price for the price of energy and a separate price for Renewable Energy Credits (RECs)/renewable attributes that together ("bundled") would be the total FIT price.

I hope this information is useful. SolarWorld would be happy to testify in this docket as it moves forward as well as serving as a general source of information for any Feed-In Tariff question you or the Commission may have.

Best regards,

Janet

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